

DRAFT RESOLUTION ON THE APPROVAL OF THE ANNUAL BUDGET FOR CAPITAL AND OPERATING EXPENDITURE FOR THE 2017/2018, 2018/2019 AND 2019/2020 FINANCIAL YEARS

RECOMMENDED:

1. **THAT** the annual budget for the 2017/2018 MTREF for the different votes be approved and adopted as set out by the following tables:
 - 1.1 Table A1 : Budget summary
 - 1.2 Table A2 : Budgeted financial performance
 - 1.3 Table A3 : Budget financial performance (municipal vote)
 - 1.4 Table A4 : Budget financial performance by revenue source and expenditure type
 - 1.5 Table A5 : Budgeted capital expenditure by vote
 - 1.6 Table A6 : Budgeted financial position
 - 1.7 Table A7 : Budgeted cash flows
 - 1.8 Table A8 : Cash backed reserves / accumulate surplus reconciliation
 - 1.9 Table A9 : Asset management
 - 1.10 Table A10 : Consolidated basic service delivery measurement
2. **THAT** in terms of section 75A of the Local Government Municipal Systems Act, 32 of 2000, interest be recovered on amounts outstanding for periods longer than thirty (30) days on all debtor accounts at a rate equal to the prime bank overdraft rate from the bank as applicable to the bank account of the Council from time to time.
3. **THAT**, in terms of section 75A of the Local Government Municipal Systems Act, 32 of 2000 and section 24 of the Local Government Municipal Property Rates Act (MPRA), 6 of 2004, approves and adopts with effect from 1 July 2017 that property tax be levied on the market value of all rateable properties subject to the allowed rebates, exemptions and reductions as follows:

3.1	Category	Rate Applicable	
3.1.1	Residential with the exclusion of the first R15 000 of assessed market value	0,0106	cent in the Rand
3.1.2	Government owned residential with the exclusion of the first R15 000 of assessed market value	0,0106	cent in the Rand
3.1.3	Residential – 2 nd dwelling	0,0106	cent in the Rand
3.1.4	Government residential – 2 nd dwelling	0,0106	cent in the Rand
3.1.5	Duets not subject to a sectional title scheme	0,0106	cent in the Rand
3.1.6	Government duets not subject to sectional title scheme	0,0106	cent in the Rand
3.1.7	Residential : home business	0,0106	cent in the Rand
3.1.8	Residential : vacant, including government owned	0,0159	cent in the Rand
3.1.9	Illegal usage	0,0318	cent in the Rand
3.1.10	Accommodation establishments	0,0133	cent in the Rand
3.1.11	Business and commercial including government owned	0,0318	cent in the Rand
3.1.12	Industrial	0,0265	cent in the Rand
3.1.13	Industrial special	0,0212	cent in the Rand
3.1.14	Farms including agricultural small holdings used for agricultural / residential purposes	0,0027	cent in the Rand
3.1.15	Farms including agricultural small holdings used for eco-tourism / trading in or hunting of game	0,0159	cent in the Rand
3.1.16	Farms including agricultural small holdings used for business / commercial / industrial purposes	0,0318	cent in the Rand
3.1.17	Farm including agricultural small holdings used for any other than the specified purposes	0,0027	cent in the Rand
3.1.18	Mining	0,0424	cent in the Rand
3.1.19	Public benefits organisations	0,0027	cent in the Rand
3.1.20	Schools including government owned / school hostels	0,0133	cent in the Rand
3.1.21	Multiple used premises according to major use:		
	Residential	0,0106	cent in the Rand
	Commercial	0,0318	cent in the Rand
	Industrial	0,0265	cent in the Rand
	Accommodation establishment	0,0133	cent in the Rand
	Mining	0,0424	cent in the Rand
3.1.22	Privately owned roads / parks / sport grounds, subject to the stipulations of section 17(2)(b) of the MPRA, Act 6 of 2004, where applicable	0,0106	cent in the Rand
3.1.23	Privately owned towns	0,0027	cent in the Rand

3.2 Rebates in recognition of section 15(2) of Act 6 of 2004

- 3.2.1 That for all indigent households enlisted under the Council's indigent support and free basic services scheme property rates be fully discounted and the expenditure be recovered from the proportional equitable share payment to the Council by the South African National Treasury.
- 3.2.2 The following rebates be allowed on properties owned by pensioners, disability grantees and/or medically boarded based on their monthly income and which are categorized as residential subject to the conditions as stipulated in the property rates policy:

Qualifying applicants:

R0	to R 3 200,00	100% rebate on applicable tariff
R3 200,01	to R 6 400,00	70% rebate on applicable tariff
R6 400,01	to R 9 600,00	50% rebate on applicable tariff
R9 600,01	to R12 800,00	20% rebate on applicable tariff

- 3.2.3 That a rebate of 0,0090 cent in the rand be allowed for all property where a single property becomes divided (through subdivision or township establishment) into ten (10) or more full title units and all services, inclusive of water, sewerage, electricity and roads are installed by the developer at his own cost for a period of two (2) years from the date of registration of the subdivision or the proclamation of the township or for a shorter period until the newly created units are sold off or improved before expiry of the two (2) years period.
- 3.2.4 That the following rebates may be allowed for business property developments subject to the conditions as stipulated in the property rates policy.

For properties with a municipal valuation that exceeds above R2-million to R5-million:

in the first year a rebate of 100%
in the second year a rebate of 75%
in the third year a rebate of 50%; and
in the fourth year the full property tax will be payable

For properties with a municipal valuation that exceeds R5-million:

in the first year a rebate of 100%
in the second year a rebate of 100%
in the third year a rebate of 50%; and
in the fourth year the full property tax will be payable

3.3 A phasing-in discount granted in terms of section 21 of MPRA, Act 6 of 2004

3.3.1 That property rates on all newly rated property that had not previously been assessed and rated according to any valuation roll or supplementary valuation roll that applied to any area of the municipality in terms of previous legislation be phased in as follows:

- in the first financial year a rebate of 75%;
- in the second financial year a rebate of 50% of the rate;
- in the third financial year a rebate of 25% of the rate; and
- in the fourth financial year the full property tax will be payable without any rebate.

3.4 Exemptions from payment of a rate levied

3.4.1 That in terms of section 15(1)(a) of the MPRA, Act 6 of 2004 the following categories be exempted from payment of a rate levied on their property:

- 3.4.1.1 rateable property registered in the name of a welfare organization registered in terms of the National Welfare Act, Act 100 of 1978.
- 3.4.1.2 rateable property owned by public benefits organizations and used for any specific public benefit activity as listed in item 1,2 and 4 of part 1 of the ninth schedule to the Income Tax Act.
- 3.4.1.3 museums, art galleries, libraries and botanical gardens which are registered in the names of private persons and which are open to public, whether admission is charged or not as listed in section 6(a) and (b) of the ninth schedule to the Income Tax Act.
- 3.4.1.4 national monuments including ancillary business activities at national monuments as listed in section 6(a) and (b) of the ninth schedule to the Income Tax Act.

- 3.4.1.5 rateable property registered in the name of a trustee or trustees or any organization which is being maintained for the welfare of war veterans as defined in section 1 of the Social Aid Act (House of Assembly), Act 37 of 1989 and their families.
- 3.4.1.6 sport grounds used for the purposes of amateur sport and any social activities which are connected with such sport.
- 3.4.1.7 rateable property registered in the name of the Boy Scouts, Girl Guides, Sea Scouts, Voortrekkers or any organization which is in the opinion of the municipality similar or any rateable property let by the municipality to any such organization.
- 3.4.1.8 rateable property registered in the name of a declared institution in terms of Cultural Institutions Act, Act 119 of 1998 as amended, promoting the cultural aims as defined in section 6(a) and (b) of the ninth schedule of the Income Tax Act.
- 3.4.1.9 properties in the “*municipal*” category unless a lease or sale agreement for such a property, or part thereof, exist.
- 3.4.1.10 on mineral rights within the meaning of paragraph (b) under “*property*” as per section 1 of MPRA, Act 6 of 2004.
- 3.4.1.11 on a property belonging to a land reform beneficiary or his or her heirs, provided that this exclusion lapses ten (10) years from the date on which such beneficiary’s title was registered in the office of the Registrar of Deeds.
- 3.4.1.12 on the first R15 000,00 of the market value of the property assigned in the valuation roll of a municipality to a category determined by the municipality:
 - (i) for residential purposes including second dwellings and duets not subject to a sectional title scheme; or
 - (ii) for properties used for multiple purposes, provided one or more components of the property and which forms the major part of the property, are used for residential purposes.

3.4.1.13 on a property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office-bearer of that community who officiates at services at that place of worship.

3.4.1.14 on the first 30% of the market value of public service infrastructure.

3.4.1.15 on those parts of a special nature reserve, national park or national reserve with meaning of protected areas act, or a national botanical garden within the meaning of National Management Biodiversity Act, 2004 which are not developed or used for commercial business, or residential agricultural purposes.

3.5 That all property rates as per paragraphs 3.1.1 to 3.1.23 above be subjected to value added tax at a zero rate.

4. **THAT** the fees for drainage and sewerage as published under Notice 2/1985 in the provincial gazette on 31 July 1985, as amended and in terms of the stipulations of section 75A of the Local Government Municipal Systems Act, 32 of 2000, be approved and adopted with effect from 1 July 2017 as follows:

4.1 **THAT** the departmental levy on sewerage be determined at R3,88 per kilolitre of measured sewerage water effluent.

4.2 That all levies for drainage and sewerage as per paragraph 4.3 below be subjected to value added tax at full rate.

4.3 To have the present tariffs replaced by the following structure:

4.3.1 Monthly levy for developed residential erven

(a) with a total area of up to 995m² R 96,65

(b) with a total area exceeding 995m²
up to 1500m² R213,90

(c) with a total area exceeding 1500m² R283,40

4.3.2 Monthly levy on flats

Per residential unit R142,40
2nd dwelling (single property) R 98,65

4.3.3 Monthly levy on all church erven R283,50

4.3.4 Business and Industries

R8,05 per kilolitre metered pure water consumption per month

4.3.5 All undeveloped erven in private possession with access to the reticulation

An availability levy of R57,30 per erf per month

4.3.6 Agricultural societies and sport clubs not accommodated at the central sports grounds

R6,88 per kilolitre of metered purified water consumption per month

4.3.7 Military basis, road camps and other similar properties

R8,05 per kilolitre of metered purified water consumption per month

4.3.8 Industries and businesses where a great extent of the water consumption as determined by Council is taken up in the final product per kilolitre of the metered purified water consumption per month:

0 - 2000 kiloliters	R3,30 per kl
2000 - 5000 kiloliters	R1,95 per kl
Above 5000 kiloliters	R0,98 per kl

4.3.9 Hospitals, nursing homes under welfare care, schools and school hostels, nursery schools and day schools

Monthly levies as follows:

(a) Hospitals

R283,47 for each three (3) beds or portion, continuously available and R283,47 for each ten (10) personnel or portion, residential or not.

(b) Schools and school hostels (including nursery and day schools)

R81,83 for each twenty (25) persons or portion thereof.

- (c) Nursing and maternity homes and welfare organizations

As described by the National Welfare Act, 1978, and institutions controlled by welfare organizations.

R133,42 for each ten (10) persons or portion thereof

4.3.10 Vergeet-My-Nie / Rivier Park flats

R66,10 per flat per month

4.3.11 Formalized informal housing settlements with access to biological toilets per stand (unproclaimed township)

R48,00 per month

4.3.12 Proclaimed rural townships / villages with biological toilets per stand

R48,00 per month

4.4 That for all indigent consumers enlisted under the Council's indigent support and free basic services scheme with the inclusion of all dwellings in the formalized informal housing settlements, no fees be paid by the consumer and the levy in full be recovered from the proportional equitable share payable to Council by the South African National Treasury.

4.5 For all pensioners who applied and were approved for a rebate on assessment rates based on their monthly income, the same rebate be allowed on their respective residential sewerage tariffs, except Vergeet-My-Nie / Rivier Park flats:

4.5.1 Pensioners who qualify (residential)

R0	to R 3 200,00	100% rebate on applicable tariff
R3 200,01	to R 6 400,00	70% rebate on applicable tariff
R6 400,01	to R 9 600,00	50% rebate on applicable tariff
R9 600,01	to R12 800,00	20% rebate on applicable tariff

5. **THAT** the fees for the removal of solid waste (refuse), whether the service is delivered or not, as published under Notice No. 3/1985 in the provincial gazette of 31 July 1985, as amended and in terms of the stipulations of section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, approves and adopts with effect from 1 July 2017 as follows:

5.1 That the fees for the removal of solid waste as per paragraphs 5.2 to 5.4 and 5.6 to 5.8 below be subjected to value added tax at the standard rate.

5.2 Tariff of charges

5.2.1 Section 1(1) occasional service

For a daily service per day per refuse bin R58,00

5.2.2 Housing refuse

Erven up to 995m² and erven exceeding 995m²

by substitution under item 1(1):
the amount of R115,80 with R123,80 and R165,75 by
R177,20

5.2.3 Flats

by substitution under item 1(2)(b)(i):
the amount of R148,85 with R159,12

5.2.4 Businesses: 1,1m³ mass container

up to three (3) times per week by inclusion under item
1(2)(b)(iii) the amount of R2 180,00

up to six (6) times per week by inclusion under item 1(2)(b)(iv)
the amount of R4 343,00

5.2.5 Second dwelling

by substitution under item 1(2)(b)(vii):
the amount of R111,25 with R118,92

5.2.6 Businesses: Bins 85ℓ

by substitution under item 1(3)(a):
the amount of R400,15 with R427,76

5.2.7 Businesses: 1,50m³ mass containers

by deleting under item 1(3)(b):
the amount of R4 176,00 (tariff no longer applicable)

5.2.8 Businesses: 1,75m³ mass containers

by substitution under item 1(3)(c):
the amount of R5 201,00 with R5 560,00

5.2.9 Businesses: 240ℓ bins

up to three (3) times per week
by substitution under item 1(3)(d):
the amount of R743,00 with R794,27

up to six (6) times per week
by substitution under item 1(3)(e):
the amount of R1 589,00

- 5.3 That the tariff for removal of solid waste (refuse) from the Vergeet-My-Nie / Rivier Park flats be increased from R56,45 per flat to R60,35 per flat per month.

- 5.4 That formalized informal housing settlements (unproclaimed townships) under 1(2)(b)(v) by substitution R58,20 per stand per month with R62,20 per stand per month.

- 5.5 That the departmental levy for removal of solid waste (refuse) be amended as follows:

per refuse bin	R 138,80
per mass container	R2 281,00

- 5.6 That proclaimed rural villages under 1(2)(b)(v) by substitution R58,20 per stand per month with R62,20 per stand per month.

- 5.7 That the static compactor levy for removal of refuse be introduced as follows:

up to 15m ³ per month	R98,70
up to 11m ³ per month	R78,96
up to 10m ³ per month	R72,38

- 5.8 That additional static compactor removals more than four (4) times per month be introduced as follows:

up to 15m ³ per month per removal	R2 467,00
up to 11m ³ per month per removal	R1 974,00
up to 10m ³ per month per removal	R1 809,00

- 5.9 That for all indigent consumers enlisted under the Council's indigent support and free basic services scheme of all dwellings in the formalized informal housing settlement no fees be paid by the consumer and the levy in full be recovered from the proportional equitable share payable to Council by the South African National Treasury.

- 5.10 That for all pensioners who applied and were approved for a rebate on assessment rates based on their monthly income, the same rebate be allowed on their respective refuse levies, except for Vergeet-My-Nie and Rivier Park flats:

5.10.1 Pensioners who qualify (residential)

monthly income

R0	to R 3 200,00	100% rebate on applicable tariff
R3 200,01	to R 6 400,00	70% rebate on applicable tariff
R6 400,01	to R 9 600,00	50% rebate on applicable tariff
R9 600,01	to R12 800,00	20% rebate on applicable tariff

6. **THAT** the fees for water supply as published under Notice Number 31/1986 in the provincial gazette of 10 September 1986, as amended and in terms of section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, approves and adopts with effect from 1 July 2017 as follows:

- 6.1 That the fees for water supply as per paragraphs 6.2.1 to 6.2.6 and 6.2.7 below be subjected to value added tax at standard rate.

- 6.2 By replacing the present tariffs by the following tariff structure:

- 6.2.1 All residential, single flats, church sites and residential units in group housing complexes:

- (a) Where working meters were installed for metered purified water consumptions per month:

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 8,35 per kl
Above ten (10) to forty (40) kiloliters	R14,62 per kl
Above forty (40) kiloliters	R15,56 per kl

- (b) Erven without working water meters which are developed and occupied:

A monthly fixed levy of R86,50 per erf per month

- (c) Water leak adjustment tariff R8,35

- 6.2.2 All undeveloped erven with access to the reticulation network

An availability levy of R49,00 per month

6.2.3 All businesses and industries, school and school hostel sites (including nursery schools and day schools)

All monthly metered consumption of purified water at R8,89 per kilolitre.

6.2.4 Supply of raw water in all cases

Per metered monthly consumption at R8,50 per kilolitre

6.2.5 Purified water outside Council's distribution areas

According to monthly metered consumption at R12,13 per kilolitre

6.2.6 That the levy for purified effluent be determined at R2,37 cent per kilolitre

6.2.7 Water restriction tariffs

Level 1 restriction (water source below 60%)

(a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 7,55 per kl
Above ten (10) to forty (40) kiloliters	R13,20 per kl
Above forty (40) kiloliters	R17,28 per kl

(b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R11,56 per kilolitre

Level 2 restriction (water source below 40%)

(a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 8,35 per kl
Above ten (10) to forty (40) kiloliters	R18,00 per kl
Above forty (40) kiloliters	R19,15 per kl

(b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R14,22 per kilolitre

Level 3 restriction (water source below 20%)

(a) Residential

For the first six (6) kiloliters	Free
Above six (6) to ten (10) kiloliters	R 8,35 per kl
Above ten (10) to forty (40) kiloliters	R22,50 per kl
Above forty (40) kiloliters	R23,94 per kl

(b) Business and industries, school and school hostel sites (including schools and day schools)

All monthly metered consumption of purified water at R17,78 per kilolitre

6.2.8 That the departmental levy for purified water be determined at R3,35 per kilolitre

6.3 That for all indigent residential households enlisted under the Council's indigent support and free basic services scheme an additional four (4) kiloliters besides the first six (6) kiloliters of monthly consumption to a total of 10 kiloliters of monthly consumption be supplied free of charge and the total cost of the consumption between six (6) and up to ten (10) kiloliters be recovered from the proportional equitable share payable to Council by the South African National Treasury.

7. **THAT** the electricity tariffs for the 2017/2018 financial year be approved in that the Determination of Fees for the Supply of Electricity, promulgated under Notice No. 38 of the Provincial Gazette of 26 January 1996, in terms of the stipulations of section 75A of the Local Government Municipal Systems Act, of 2000, approves and adopts with effect from 1 July 2017 as follows:

7.1 That the fees levied for electricity as per paragraphs 7.1.1 to 7.1.9 and paragraphs 7.1.11 to 7.1.14 below be subjected to Value Added Tax at the standard rate.

ELECTRICITY

7.1.1 Domestic residential indigent consumers

These tariffs are applicable to all residential indigent consumers with an ampere capacity limited to 20A per phase.

	(12,20%) PRESENT 2016/2017	(1,88%) PROPOSED 2017/2018
	c/kWh	c/kWh
(i) Energy charge (kWh)	0,00	0,00
(ii) Block 1 – 50 kWh	86,35	87,97
(iii) Block 51 – 350 kWh	111,85	113,95

Free basic electricity to a maximum of 50 kWh per month applies to registered indigent consumers.

Where more than 350 kWh is consumed during a month, the same tariff will be applied as for other domestic residential consumers.

7.1.2 Domestic residential consumers

These tariffs are available to all residential consumers with a single or three phase connection with an ampere capacity of up to 80A per phase. This tariff consists out of a fixed and energy charge. The tariff is based on the inclining block principle, that is, the more units used, the higher the rate becomes.

	PRESENT 2016/2017	PROPOSED 2017/2018
	R	R
A fixed charge whether electricity is consumed or not, per month or part thereof per point of supply. The amount is charged once per month.		
(i) Single phase	58,00	59,00
(ii) Three phase	77,50	80,00
	c/kWh	c/kWh
Energy charge		
(i) Block 1 – 50 kWh	87,91	89,56
(ii) Block 51 – 350 kWh	119,16	121,40
(iii) Block 351 – 600 kWh	147,14	149,91
(iv) Block > 600 kWh	165,63	168,74

7.1.3 Domestic residential consumers (lifeline)

This is a new tariff structure and is available to all residential consumers with a single or three phase connection with an ampere capacity of up to 40A per phase with no fixed charge. This tariff consists only out of an energy charge and will suite low to medium consumption residential consumers. The tariff is based on the inclining principle, that is, the more units used, the higher the rate becomes.

		PRESENT 2016/2017	PROPOSED 2017/2018
		c/kWh	c/kWh
(i) Block	1 – 50 kWh	97,65	99,49
(ii) Block	51 – 350 kWh	134,72	137,25
(iii) Block	351 – 600 kWh	153,42	153,42
(iv) Block	> 600 kWh	167,08	170,22

7.1.4 Business, industrial & general consumers

These tariffs are applicable to all business, industrial and general consumers with a single and/or three phase connection with a capacity of up to 80A per phase.

		PRESENT 2016/2017	PROPOSED 2017/2018
		R	R
A capacity charge whether electricity is consumed or not, per ampere of supply capacity, per month, per point of supply or part thereof			
(i) Single phase		16,15	16,45
(ii) Three phase		49,40	49,40
		c/kWh	c/kWh
Energy charge		104,93	106,35

7.1.5 Business lifeline consumers

These tariffs are applicable to all business lifeline consumers with a single phase connection with a capacity of up to 40A per phase. This tariff has no capacity charge.

		PRESENT 2016/2017	PROPOSED 2017/2018
		c/kWh	c/kWh
Energy charge kWh		154,89	157,80

7.1.6 Bulk consumers - low voltage three phase demand scale (Time of Use)

These tariffs are applicable to all bulk consumers metered at low voltage with an annual average metered load with a capacity higher than 80A per phase.

	PRESENT 2016/2017	PROPOSED 2017/2018
	R	R
A fixed charge, whether electricity is consumed or not per point of supply (meter point)	1 881,00	1 917,00
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	45,93	45,93
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	24,13	24,13
	c/kWh	c/kWh
An active energy charge for all kWh consumers (kWh)		
(i) High demand season (June, July, August)		
▪ Peak	347,80	347,80
▪ Standard	133,05	133,05
▪ Off-peak	71,11	71,11
(ii) Low demand season (September to May)		
▪ Peak	146,54	146,54
▪ Standard	89,87	89,87
▪ Off-peak	62,89	62,89
Reactive energy charge (kVA)		
High demand season (June – August)	21,60	22,00

7.1.7 Bulk consumers – 11 000 Volt three phase demand scale (Time of Use)

These tariffs are applicable to all bulk consumers metered at medium voltage where electricity is supplied at 11 000 V.

	PRESENT 2016/2017	PROPOSED 2017/2018
	R	R
A fixed charge whether electricity is consumed or not, per point of supply (meter point)	3 139,00	3 198,00
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	42,96	43,77
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on weekdays and Saturdays	22,60	23,02

	c/kWh	c/kWh
An active energy charge for all consumers (kWh)		
(i) High demand season (June, July, August)		
▪ Peak	304,62	310,35
▪ Standard	121,61	123,00
▪ Off-peak	65,07	66,29
(ii) Low demand season (September to May)		
▪ Peak	134,28	136,80
▪ Standard	82,36	84,42
▪ Off-peak	57,62	58,83
Reactive energy charge (kVA)		
High demand season (June – August)	20,58	20,97

7.1.8 Other bulk consumers

This tariff is only available to specific consumers as approved by Council resolution due to special circumstances. The following charges will be payable:

kWh peak	-	equal to Eskom megaflex tariff structure plus 10%
kWh standard	-	equal to Eskom megaflex tariff structure plus 10%
kWh off-peak	-	equal to Eskom megaflex tariff structure plus 3%
kVA r h	-	equal to Eskom megaflex tariff structure

7.1.9 Street light and traffic light consumption

	PRESENT 2016/2017	PROPOSED 2017/2018
	c/kWh	c/kWh
Energy charge kWh	147,41	150,18
Illuminated advertisement signs	92,00	93,73

7.1.10 Departmental levies & sport clubs

This tariff is applicable to all municipal buildings, levies and sport clubs. Where time of use meters are installed the applicable tariffs as per the time of use categories as determined will apply.

	PRESENT 2016/2017	PROPOSED 2017/2018
	c/kWh	c/kWh
Energy charge kWh	147,41	150,18

7.1.11 Other charges

This tariff is applicable to all undeveloped erven with access to the reticulation network.

	PRESENT 2016/2017	PROPOSED 2017/2018
	R	R
A fixed charge per month or part thereof	111,00	113,00

7.1.12 Schools & welfare organizations - low voltage three phase demand scale
(Time of Use)

This is a new tariff structure and applicable to schools and welfare organizations metered at low voltage with an annual average metered load with a capacity higher than 80A per phase.

Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure.

	PRESENT 2016/2017	PROPOSED 2017/2018
	R	R
A fixed charge, whether electricity is consumed or not per point of supply (meter point)	1 310,50	1 437,14
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	31,42	34,46
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	16,55	18,14
	c/kWh	c/kWh
An active energy charge for all kWh consumers (kWh)		
(i) High demand season (June, July, August)		
▪ Peak	237,85	260,83
▪ Standard	90,93	99,72
▪ Off-peak	48,65	53,35
(ii) Low demand season (September to May)		
▪ Peak	100,22	109,91
▪ Standard	61,45	67,38
▪ Off-peak	43,00	47,16
Reactive energy charge (kVA)		
High demand season (June – August)	15,05	16,50

7.1.13 Schools & welfare organizations – 11 000 Volt three phase demand scale (Time of Use)

This is a new tariff structure and applicable to schools and welfare organizations metered at medium voltage where electricity is supplied at 11 000 V.

Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure.

	PRESENT 2016/2017	PROPOSED 2017/2018
	R	R
A fixed charge whether electricity is consumed or not, per point of supply (meter point)	2 217,00	2 431,00
	c/kWh	c/kWh
A demand charge per kVA of half hourly maximum demand payable in peak and standard periods on week days and Saturdays	30,33	33,26
A network access charge per kVA of half hourly maximum demand payable in peak and standard periods on weekdays and Saturdays	15,95	17,49
An active energy charge for all consumers (kWh)		
(i) High demand season (June, July, August)		
▪ Peak	215,08	235,86
▪ Standard	85,88	94,18
▪ Off-peak	45,93	50,37
(ii) Low demand season (September to May)		
▪ Peak	94,80	103,96
▪ Standard	58,15	63,77
▪ Off-peak	40,68	44,61
Reactive energy charge (kVA)		
High demand season (June – August)	14,10	15,46

7.1.14 Schools & welfare organizations

This is a new tariff structure and applicable to all schools and welfare organizations with a single and/or three phase connection with a capacity of up to 80A per phase.

Schools and welfare organizations must meet the criteria as per the rates policy to qualify for this tariff structure. This tariff has no capacity charge.

	PRESENT 2016/2017	PROPOSED 2017/2018
	c/kWh	c/kWh
Energy charge kWh	108,35	118,82

Note:

For the purpose of time of use tariffs the defined daily time of use period throughout the year are:

Peak hours:

- | | |
|----------------|--------------------------------|
| (i) Weekdays | 07:01 – 10:00
18:01 – 20:00 |
| (ii) Saturdays | None |
| (iii) Sundays | None |

Standard hours:

- | | |
|----------------|--------------------------------|
| (i) Weekdays | 06:01 – 07:00
10:01 – 18:00 |
| (ii) Saturdays | 07:01 – 12:00
18:01 – 20:00 |
| (iii) Sundays | None |

Off-peak hours:

- | | |
|----------------|--------------------------------|
| (i) Weekdays | 22:01 – 06:00 |
| (ii) Saturdays | 12:01 – 18:00
20:01 – 07:00 |
| (iii) Sundays | 00:00 – 24:00 |

The Director Electrical Engineering Services may impose a specific minimum load requirement for qualification for time of use tariff scales.

8. **THAT** in terms of section 75A of the Local Government Municipal Systems Act, Act 32 of 2000, the adjusted sundry tariffs, value added tax inclusive, as reflected in the comments of the various heads of departments under schedule 2 be approved and adopted for implementation with effect from 1 July 2017.
9. **THAT** a rate of R160,00 per day be approved for temporary workers limited to a maximum of three (3) months, unless otherwise specified in the personnel budget and/or human resources policies.
10. **THAT** the new personnel posts and the abolishment of posts as reflected under schedule 3 be approved to be implemented with effect from 1 July 2017.
11. **THAT** the following budget-related policies as amended be approved and adopted for implementation from 1 July 2017:
 - 11.1 Budget policy.
 - 11.2 Credit control and debt collection policy.

- 11.3 Free basic services and indigent support policy.
 - 11.4 Methodology – impairment of receivables policy.
 - 11.5 Pay day policy.
 - 11.6 Petty cash policy.
 - 11.7 Property rates policy.
 - 11.10 Supply chain management policy.
 - 11.11 Travelling and subsistence policy.
12. **THAT** the following unchanged budget-related policies be noted and be approved and adopted for implementation from 1 July 2017:
- 12.1 Asset management policy.
 - 12.2 Blacklisting policy.
 - 12.3 Borrowing policy.
 - 12.4 Funding and reserves policy.
 - 12.5 Investment and surplus funds policy.
 - 12.6 Methodology – classification and treatment of land policy.
 - 12.7 Methodology – impairment and assessment of useful lives of assets policy.
 - 12.8 Short term risks and liabilities policy.
 - 12.9 Tariff policy.
 - 12.10 Unclaimed monies policy.
 - 12.11 Write-off of debtor's policy.
13. **THAT** the measurable performance objectives for revenue from each source as per table A4 be approved and adopted for the 2017/2018 budget year.
14. **THAT** the tabled budget in both printed and electronic formats be submitted to National and Provincial Treasury.
15. **THAT** the tabled budget be placed on the municipal website within five (5) working days from approval.

16. **THAT** the tabled budget and supporting documentation with Council resolution be made public in terms of section 21(A) of the Municipal Systems Act, 32 of 2000 within ten (10) workings days after Council approval.